



Memorandum

TO: CITY COUNCIL

FROM: Mayor Sam Liccardo
Councilmember Raul Perez
Councilmember Don Rocha

SUBJECT: SEE BELOW

DATE: May 15, 2015

APPROVED:

DATE:

Don Rocha
PH **REVISED** *Sam Liccardo*
5-15-15

SUBJECT SALE OF SUCCESSOR AGENCY OWNED PROPERTY AT 167-193 EAST SANTA CLARA STREET

RECOMMENDATION

Approve recommendation outlined in the staff report dated May 7, 2015 for a Purchase and Sale Agreement and Escrow Instructions between the Successor Agency to the Redevelopment Agency and SJSC Properties, LLC regarding the properties located at 167-193 East Santa Clara Street for \$12,800,000.

BACKGROUND

We understand that the Successor Agency's Oversight Board unanimously approved the sale of the property today, and look forward to the State Department of Finance approving the sale as well. The property located at the corner of East Santa Clara and Fourth Streets is a strategic development site. The nine parcels were acquired by the former Redevelopment Agency between 2001 and 2007 at a cost of \$10.9 million, including relocation costs. The sale price is \$12.8 million. After preliminary conversations with the prospective buyer, staff believes that the anticipated project is a high-rise residential development, approximately 20 stories tall with ground floor retail, consistent with the General Plan. This private investment would continue to promote high-quality development on the east side of the Downtown Core, and will serve as a catalyst for positioning other opportunity sites located in the immediate area for development in the future.

We thank staff for conducting a very thorough disposition process which resulted in seven offers for the property, and we are pleased to recommend that our Council colleagues approve the sale to the entity that submitted the highest offer for the property.